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Senate Engrossed

State of Arizona
Senate
Forty-sixth Legislature
Second Regular Session
2004

SENATE BILL 1043

AN ACT

AMENDING TITLE 42, CHAPTER 6, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-6008; RELATING TO MUNICIPAL TAX INCENTIVES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 42, chapter 6, article 1, Arizona Revised Statutes,
3 is amended by adding section 42-6008, to read:

4 42-6008. Business location municipal tax incentives; findings;
5 definition

6 A. UNDER THE MODEL CITY TAX CODE OR OTHERWISE, BEFORE A CITY OR TOWN
7 PROVIDES TAX INCENTIVES TO ANY BUSINESS ENTITY THAT LOCATES A RETAIL BUSINESS
8 FACILITY IN THE CITY OR TOWN, THE CITY OR TOWN SHALL MAKE A FINDING THAT
9 INCLUDES THE FOLLOWING:

10 1. THAT THE PROPOSED TAX INCENTIVE IS ANTICIPATED TO RAISE MORE
11 REVENUE THAN THE AMOUNT OF THE INCENTIVE.

12 2. THAT, IN THE ABSENCE OF A TAX INCENTIVE, THE RETAIL BUSINESS
13 FACILITY OR SIMILAR RETAIL BUSINESS FACILITY WOULD NOT LOCATE IN THE CITY OR
14 TOWN IN THE SAME TIME, PLACE OR MANNER.

15 B. THIS SECTION DOES NOT APPLY TO TAX INCENTIVES GIVEN TO A BUSINESS
16 ENTITY IN AN AREA DESIGNATED BY A CITY OR TOWN AS A REDEVELOPMENT PROJECT AS
17 DEFINED IN SECTION 36-1471.

18 C. FOR THE PURPOSES OF THIS SECTION, "TAX INCENTIVE" MEANS ANY WAIVER,
19 EXEMPTION, DEDUCTION, CREDIT, REBATE, DISCOUNT, DEFERRAL OR OTHER ABATEMENT
20 OR REDUCTION OF THE NORMAL MUNICIPAL TAX LIABILITY THAT OTHERWISE APPLIES TO
21 SIMILAR EXISTING BUSINESS ENTITIES AND PROPERTIES IN THE CITY OR TOWN,
22 HOWEVER DENOMINATED, COMPUTED OR APPLIED, AND GENERALLY UNDERSTOOD AS AN
23 INDUCEMENT TO LOCATE THE BUSINESS FACILITY OR OTHER OPERATION IN THE CITY OR
24 TOWN.